

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

JAMES V. MAZZO, et al.,

Defendants.

Case No. SACV 12-1327-DOC(AFM)

**AMENDED FINAL JUDGMENT AS  
TO DEFENDANT DAVID L. PARKER  
[257]**

Complaint Filed: Aug. 17, 2012  
Judge: Honorable David O. Carter

---

The Securities and Exchange Commission having filed a Complaint and Defendant David L. Parker (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in Paragraph VI); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

1  
2 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is  
3 permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the  
4 Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5  
5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of  
6 interstate commerce, or of the mails, or of any facility of any national securities exchange, in  
7 connection with the purchase or sale of any security:  
8

- 9 (a) to employ any device, scheme, or artifice to defraud;  
10 (b) to make any untrue statement of a material fact or to omit to state a material  
11 fact necessary in order to make the statements made, in the light of the  
12 circumstances under which they were made, not misleading; or  
13 (c) to engage in any act, practice, or course of business which operates or would  
14 operate as a fraud or deceit upon any person.  
15

16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal  
17 Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive  
18 actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers,  
19 agents, servants, employees, and attorneys; and (b) other persons in active concert or participation  
20 with Defendant or with anyone described in (a).  
21

II.

22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is  
23 permanently restrained and enjoined from violating Section 14(e) of the Exchange Act [15 U.S.C.  
24 § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3] promulgated thereunder, in connection with any  
25 tender offer or request or invitation for tenders, from engaging in any fraudulent, deceptive, or  
26

1 manipulative act or practice, by:

2 (a) purchasing or selling or causing to be purchased or sold the securities sought  
3 or to be sought in such tender offer, securities convertible into or  
4 exchangeable for any such securities or any option or right to obtain or  
5 dispose of any of the foregoing securities while in possession of material  
6 information relating to such tender offer that Defendant knows or has reason  
7 to know is nonpublic and knows or has reason to know has been acquired  
8 directly or indirectly from the offering person; the issuer of the securities  
9 sought or to be sought by such tender offer; or any officer, director, partner,  
10 employee or other person acting on behalf of the offering person or such  
11 issuer, unless within a reasonable time prior to any such purchase or sale  
12 such information and its source are publicly disclosed by press release or  
13 otherwise; or

14  
15 (b) communicating material, nonpublic information relating to a tender offer,  
16 which Defendant knows or has reason to know is nonpublic and knows or  
17 has reason to know has been acquired directly or indirectly from the offering  
18 person; the issuer of the securities sought or to be sought by such tender  
19 offer; or any officer, director, partner, employee, advisor, or other person  
20 acting on behalf of the offering person of such issuer, to any person under  
21 circumstances in which it is reasonably foreseeable that such communication  
22 is likely to result in the purchase or sale of securities in the manner described  
23 in subparagraph (a) above, except that this paragraph shall not apply to a  
24 communication made in good faith  
25  
26

- (i) to the officers, directors, partners or employees of the offering person, to its advisors or to other persons, involved in the planning, financing, preparation or execution of such tender offer;
- (ii) to the issuer whose securities are sought or to be sought by such tender offer, to its officers, directors, partners, employees or advisors or to other persons involved in the planning, financing, preparation or execution of the activities of the issuer with respect to such tender offer; or
- (iii) to any person pursuant to a requirement of any statute or rule or regulation promulgated thereunder.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$343,954, representing profits gained as a result of the conduct alleged in the Complaint, and a civil penalty in the amount of \$56,046 pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1]. Defendant shall satisfy this obligation by paying \$400,000 to the Securities and Exchange Commission pursuant to the Payment Plan described in Paragraph IV, the first installment which is due within 60 days after entry of this Final Judgment.

1 Defendant may transmit payment electronically to the Commission, which will provide  
2 detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly  
3 from a bank account via Pay.gov through the SEC website at  
4 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank  
5 cashier's check, or United States postal money order payable to the Securities and Exchange  
6 Commission, which shall be delivered or mailed to

7  
8 Enterprise Services Center  
9 Accounts Receivable Branch  
10 6500 South MacArthur Boulevard  
11 Oklahoma City, OK 73169

12 and shall be accompanied by a letter identifying the case title, civil action number, and name of  
13 this Court; David L. Parker as a defendant in this action; and specifying that payment is made  
14 pursuant to this Final Judgment.

15 Defendant shall simultaneously transmit photocopies of evidence of payment and case  
16 identifying information to the Commission's counsel in this action. By making this payment,  
17 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of  
18 the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to  
19 this Final Judgment to the United States Treasury.

20 The Commission may enforce the Court's judgment for disgorgement by moving for civil  
21 contempt (and/or through other collection procedures authorized by law) at any time after 60 days  
22 following entry of this Final Judgment. Defendant shall pay post judgment interest on any  
23 amounts not timely paid in accordance with the payment schedule in Section IV pursuant to 28  
24 U.S.C. § 1961.

25 Based on Defendant's sworn representations in his Statement of Financial Condition dated  
26

1 November 18, 2019, and other documents and information submitted to the Commission, however,  
2 the Court is not ordering Defendant to pay a higher civil penalty and such higher civil penalty and  
3 pre-judgment interest on disgorgement is waived. The determination not to impose a higher civil  
4 penalty and to waive payment of pre-judgment interest is contingent upon the accuracy and  
5 completeness of Defendant's Statement of Financial Condition. If at any time following the entry  
6 of this Final Judgment the Commission obtains information indicating that Defendant's  
7 representations to the Commission concerning his assets, income, liabilities, or net worth were  
8 fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such  
9 representations were made, the Commission may, at its sole discretion and without prior notice to  
10 Defendant, petition the Court for an order requiring Defendant to pay pre-judgment and post-  
11 judgment interest thereon, and the maximum civil penalty allowable under the law. In connection  
12 with any such petition, the only issue shall be whether the financial information provided by  
13 Defendant was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the  
14 time such representations were made. In its petition, the Commission may move this Court to  
15 consider all available remedies, including, but not limited to, ordering Defendant to pay funds or  
16 assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The  
17 Commission may also request additional discovery. Defendant may not, by way of defense to such  
18 petition: (1) challenge the validity of the Consent or this Final Judgment; (2) contest the  
19 allegations in the Complaint filed by the Commission; (3) assert that payment of pre-judgment and  
20 post-judgment interest or a civil penalty should not be ordered; (4) contest the amount of pre-  
21 judgment and post-judgment interest; (5) contest the imposition of the maximum civil penalty  
22 allowable under the law; or (6) assert any defense to liability or remedy, including, but not limited  
23 to, any statute of limitations defense.  
24  
25  
26

IV.

1  
2 David L. Parker shall pay the total of disgorgement and penalty due of \$400,000 in seven  
3 installments to the Commission according to the following schedule: (1) \$100,000 within 60 days  
4 of entry of this Final Judgment; (2) \$50,000 within six months after the first installment; (3)  
5 \$50,000 within six months after the second installment; (4) \$62,500 within six months after the  
6 third installment; (5) \$62,500 within six months of the fourth installment; (6) \$37,500 within six  
7 months of the fifth installment; and (7) \$37,500 within six months of the sixth installment.

8 Payments shall be deemed made on the date they are received by the Commission and shall be  
9 applied first to post judgment interest, which accrues pursuant to 28 U.S.C. § 1961 on any amounts  
10 not timely paid in accordance with the payment schedule in this Section. Prior to making the final  
11 payment set forth herein, David L. Parker shall contact the staff of the Commission for the amount  
12 due for the final payment.

13  
14 If David L. Parker fails to make any payment by the date agreed and/or in the amount  
15 agreed according to the schedule set forth above, all outstanding payments under this Final  
16 Judgment, including post-judgment interest, minus any payments made, shall become due and  
17 payable immediately at the discretion of the staff of the Commission without further application to  
18 the Court.

V.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is  
22 incorporated herein with the same force and effect as if fully set forth herein, and that Defendant  
23 shall comply with all of the undertakings and agreements set forth therein.  
24  
25  
26

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: December 11, 2019

*David O. Carter*

THE HONORABLE DAVID O. CARTER  
UNITED STATES DISTRICT JUDGE